GOV. MIKE HUCKABEE'S STATE OF THE STATE ADDRESS JAN. 11, 2005 10 A.M. CST

Gov. Rockefeller, Mr. Speaker, members of the Senate and House, members of the Supreme Court, Cabinet, distinguished guests, members of the media and somewhere out there a friend or two: Today I come making what will be my fifth and final address to a regular opening session of the Arkansas General Assembly. And I want to say that while that is welcome news maybe, I do want to thank you for not breaking forth into a sustained ovation at that news and yelps of glee. But I'm certainly here to declare the inevitable and obvious departure that I will have two years from now -- in fact, two years this very week. Many of you are also here serving in your final term, including Lt. Gov. Rockefeller, Speaker Stovall, President Pro Tem Argue, 28 members of the House and four members of the Senate. Like me, they're in their final lap around the track.

It may be appropriate to say that many of us are here in what we could best call the senior year on the varsity squad. In athletics, to be in the senior year is a special time for every athlete, whether it's at the high school or the college level. And it's especially important when that senior plays his or her last game of the senior year. Every good coach knows that to get the most out of his or her athletes, you appeal to the seniors. You appeal to them on the basis of honor and pride, all of their training and traditions. You appeal to them on the basis of focus and ask them to give every ounce of energy and every ounce of emotion they can muster so they will go forth and play the game of their lives, their best game ever.

When a senior goes out and plays that kind of game, it reveals the true heart of not just an athlete but the heart of a champion. And when those seniors approach the game with that kind of focus and pride and determination for greatness, the result is not only the making of a champion. It also sets the pattern for all of the freshmen and the sophomores and the juniors. And it does something else. It gives the fans a team they can really truly and genuinely be proud of. Those of us who are in our senior year need to provide leadership, a level of focus and an intense determination so as to leave a lasting legacy and give the people of our state something that those who voted for us and who elected us can be proud of.

Most teams have some folks on that team who strive for excellence and focus on a championship. But I think all of us understand that on every team there are also a few folks who could best be described as, well, towel poppers -- people who judge their success not by their performance on the field but by their personality behind the scenes in the locker room, by the laughter in the locker room and the postgame parties. And, frankly, when the towel poppers outnumber the champions, the team usually loses. But when the champions outnumber the towel poppers, the team wins. We need to pledge to each other, we need to pledge to the citizens and we need to pledge in a sacred pledge to God

that we will take on the task of the next 60-plus days like a team committed to a championship; that we will be committed, as coaches used to say, to taking care of business and not just towel popping in the locker room.

I come today with both a salute and a handshake. In the ancient world, the salute originated as the warrior would lift the visor of his armor in order to reveal that his approach was a friendly one. The handshake is an ancient custom dating back to the time when a person would approach one with the outstretched hand as an indication that there was no weapon in the hand, that the approach was, in fact, a friendly one and the terms were cordial.

Today I come to salute your selection by the people of Arkansas, and I also offer my hand in friendship. I want to make it clear that we're not on separate teams. We are all on the same team. We play different positions on the field in different branches of government, but we're on the same team.

Once the elections are over, we become part of what could best be described as the all-star team. Having been selected from among all of those who wished for these positions, we now serve the people who chose to put us here. And I want to make it very clear today, in keeping with what I thought was an outstanding sentiment expressed by the speaker and the president pro tem yesterday in setting a wonderful tone for the beginning of this session. Let me echo their spirit today.

(Applause.)

To be very clear, and despite what you may think, have been told or even have read, you are not my enemy nor my opponent. We do have some enemies.

The enemies we face, however, are the enemies of ignorance, poverty, unemployment, disease and sickness among our citizens, crime and another enemy -- that is the resignation and acceptance of competing for the bottom instead of competing for the top. Specifically, what we have to do in this legislative session is improve our public school facilities, empower our citizens to live healthier lives, repair and rebuild a crumbling infrastructure of roads and enable all of our people to be able to access and afford a level of education capable of granting them access to a 21st century economy instead of one that was better suited for the 1950s -- one that most of us would rather not revisit and certainly not camp out in.

A couple of days ago, my daughter sent me an e-mail encouraging me in this speech. You may wonder, "What would a 22-year-old say to her dad?" Essentially, "Keep it short, Dad, they really aren't that interested in a long speech from you." But in the context of her e-mail and her advice for today, she did send me a quote by Teddy Roosevelt that I thought was pretty timely. Most quotes by Teddy Roosevelt are. Teddy Roosevelt said, "Far and away, the best prize that life offers is the chance to work hard at work that is worth doing." Well, ladies and gentlemen, we are certainly going to have to work hard. But the work we have before us is work that is worth doing. There are going to be efforts undoubtedly over the next few days to get us to take swipes at each other. It always happens. There are those who will say it's the executive vs. the legislative branch, or it's the House vs. the Senate, or it's Democrat vs. Republican, it's the rural interests vs. the urban interests or it's the men vs. the women, or it's those of the majority

race versus thousands in the minority races. We may be baited to react to statements that are often taken out of context. Most of us know that on most teams coaches sometimes motivate the players by posting inflammatory quotes on the bulletin board so that every player has to go by and see what the other team is saying. I remind you, we're on the same team. And I pledge to you that I will do my very best not to communicate with you by way of the bulletin board but rather that we will sit down and we will talk. We may not always agree. But we will do it in the spirit that, frankly, is the only spirit that is worthy of those of us who have been elected by the people of our state who we love and who we genuinely want to serve.

Most of you are aware that a few months ago in a very, very weak moment for me, I agreed to train for and to run in the Little Rock Marathon. I don't know what possessed me that day when I agreed to do it. But I'm going through the training. About three weeks ago, I was making what was a 14-mile run through downtown Little Rock over to North Little Rock and back. And after the 13th mile -- I was about a mile from home -- I happened to be going down Main Street in Little Rock, just getting ready to go over the bridge at Interstate 630. I was tired. My legs felt like jelly. I was sweating profusely. I looked horrible. But as I was running down Main Street, just around Fuller Hardware in downtown Little Rock, three homeless people were squatted down there on the street. And as I approached them, I saw them looking at me very curiously. As I ran past, I just said, "Hi, how are you doing?" As God is my witness, this is a true story. Just as I passed them, one of them turned to the other. I could hear it as I ran past. It caused me to break out into laughter to the point that it almost caused me to trip. One of them said to the other two, "Hey, that was Dale Bumpers."

(Laughter)

Well, it wasn't Dale Bumpers. The next time I see the senator, I will have to tell him he has to quit running through downtown Little Rock like that.

But at that moment, it occurred to me that to those folks out on the street, all politicians are basically alike. They don't really think that much about the specific things that matter most to us. While some of us may fool ourselves with the mistaken notion that we are very important to every person out there on the street, the truth is they know something is going on down here at the Capitol. They are not sure what. But they are not nearly so consumed with what affects us as they are with what affects them.

And that was a reminder to me that our task here is not so much to get recognized or noticed but is somehow to carry out our duties in such a manner that we can have a championship season.

The tasks before us are many, starting with fixing school facilities. Let me begin by commending the Legislature for a job well done, not only in commissioning the study but in executing that study. Specifically, Sen.

Shane Broadway and Rep. Joyce Elliott deserve our thanks and our praise for a job well done in carrying out a most difficult, meticulous and perhaps thankless task of going throughout the state --

(Applause.)

-- and doing an exhaustive study of every one of the facilities in order for us to make full compliance with the Lake View court decision. This is the final piece of the Lake View puzzle. And their efforts, I believe, have been very helpful and instrumental in giving us a key area of focus as we gather here.

In education, we have made many positive steps over the past few years. The implementation of Smart Start and Smart Step have resulted every single year in higher test scores and significantly improved results in every area in which we test -- fourth-, sixth-, eighth-grade math and reading. It's the first time ever in our state's history we have had sustained and ongoing progress and measurable results by having lifted the standards and having required greater levels of accountability on all of the stakeholders in the education system.

The study that was commissioned found that there are over \$80 million in urgent safe-and-dry type needs for our school facilities. I will propose that since we are expected to have some \$120 million in surplus, that it would be prudent upon us to spend cash money that we will have on hand, money that will go into every single area of your legislative districts ultimately, in order that we can address clearly, effectively and authoritatively those issues that have been identified as critical issues

-- the issues that give our children a safe place to go to school and a comfortable place in which to learn. Then, we need to develop a long-term plan for those things which are important yet less urgent needs. A number of ideas have already been floated around. I know that Sen. Argue shared the prospects of taking some \$30 million of the General Improvement funds that come each biennium, setting those aside so they can be used as a revenue stream for bonds. Others suggested a partnership between state and local entities to make sure that local school boards and districts are paying their fair share of ensuring that their facilities are going to be repaired and up to speed. There will be a lot of discussion and debate. I think we all have to approach it with a sense of an open mind and an open heart, but also a clear direction that we will get the job done.

Each of you, if you haven't already, will be given a book called "A Lasting Legacy." This is a very detailed approach, which I will not read to you today because I know that would violate not only your time but my daughterer's admonishment to me. But in it I outlined what I've been saying for almost a year now, and that is that in this session I hope we address not only school buildings but also what I've referred to as the three H's

-- health, highways and higher education. I want to be very candid with you this morning. If the only thing we do in this session is address school buildings, then I believe we will have forfeited the overall game. We will have a state full of unhealthy, underemployed or unemployed adults who cannot efficiently get to and from the lackluster jobs that will be about the best they can hope for. Therefore, as we deal with the facilities issue, let us also deal with issues that quite frankly are the long-term kind of issues that we must address for the simple reason that we cannot afford to ignore them.

I have a good friend who lives down in Arkansas County, near DeWitt, George Dunklin Jr. Many of you perhaps know George. George is a farmer. He has a vast farming operation and also operates a hunting lodge over

there. George is doing something that to me is remarkable. He is perhaps one of the most committed conservationists I've ever known. And he is determined that the land he takes care of and has inherited will be left in better shape even than he found it. Because of the flooding of timber there on his place, some of the hardwoods are dying out. George has taken it upon himself to spend enormous amounts of money to plant thousands upon thousands of hardwood trees, trees that quite frankly he will never live long enough to enjoy. He will never see their full maturity. He will long be passed before those trees provide him with a level of shade or food for the wildlife, the very purposes for which he is planting them and growing them. But there is a sense of responsibility. He knows those things in his care are being lost to deterioration and wear, and he needs to make sure that there is something for those who will be his grandchildren and even his greatgrandchildren. In the same way, it is incumbent upon us here today to make sure that we plant not just for the next election, or even the next session, but clearly for the next generation.

To do that, we have to start addressing the acute needs of the health of the citizens of our state. We have made some great strides. The ARKids First program, which was launched in 1997, has helped reduce the rates of uninsured children from 19 percent to 11 percent. We have had one of the most remarkable records of providing care for uninsured children of any state in the country, by anybody's measurements or standards. There's also the CHART plan that the citizens of Arkansas approved in 2000. It was implemented in the 2001 legislative session. It helped us to be one of only three states that took all of the money from the tobacco lawsuit settlement and poured it back into better health for our citizens, particularly targeting the needs that exist in the minority community where hypertension, heart disease and stroke are at even greater levels than they are for the rest of the state. And we poured more money into the areas of Arkansas that are most impoverished and where health needs are greater, as we should have done. Last May, we launched the Healthy Arkansas initiative, which is largely an effort to bring a new focus on the culture of health in Arkansas and to change people's attitudes because, frankly, there are three particular areas that are most troubling for the people of our state -- obesity, inactivity and smoking. If we could just get people to exercise three times a week, refrain from the use of tobacco and maintain a normal body weight, they would extend their lives by some 13 years -- not only the length of life but the quality of life. That's what we have to address because the cost of health care is totally out of control.

You're going to administer the largest health care budget in the state, the Medicaid program. When I became governor 8 1/2 years ago, our Medicaid budget was some \$600 million a year. Today, it is well over \$3 billion a year. In that short a period of time, it has grown that much and currently serves 600,000 Arkansans. I want you to think about that. One in four of your constituents is on the Medicaid program. We're asking you in the budget for an additional \$200 million dollars. That is not going to add new programs, cover new people, extend anybody's benefits or give them better care than what they get now. All in the world that is going to do is simply maintain the programs that we have in place serving those 600,000 Arkansans.

We have to decide there is a better approach to health care than just pouring money into trying to treat sick people. It might be that we

ought to put a greater level of focus on keeping people from getting sick in the first place. It's the only way we can stop the unsustainable growth of Medicaid. And here is what is telling. Of those 600,000 people that I told you were on Medicaid, 77 percent of them are being treated for chronic diseases; not infectious but chronic diseases that largely are preventable or curable with a lifestyle change. Truly, if you think about the fact that the majority of costs are related to the way we live rather than just how sick we are, the need to make that change is dramatic.

Making changes in worksite wellness will be a high priority. We must have the full implementation of Act 1220 from the last legislative session targeting school kids so that they not only learn to live healthier but so that they live in an environment that encourages them to become healthy young adults.

Part of the plan I've outlined in your book will be that we align the Department of Human Services and the Department of Health. The Department of Human Services would, in essence, acquire the operational side of the Department of Health so the Department of Health can focus on true health issues. The result of that is a savings of about \$2.6 million every year.

That's money that can go back into better health care for our citizens rather than to the duplication of administrative and clerical costs. I hope you'll join me in looking for every way we possibly can to find genuine savings so we are not spending money on the operation of government but on the functions and purposes of government.

Let me mention highways. Our state has 16,369 miles of roads. Ninetytwo percent of the traffic on those roads is carried on roughly half that system. Many of you were in the Legislature in 1999 when we passed a program that was very successful, largely to completely repair and rebuild our interstate system. It was a \$1 billion dollar program that we paid for with bonds that created an estimated 40,000 jobs. And I'll tell you, it's one of the best things we have ever done. The people of Arkansas overwhelmingly, by an 80 percent margin, approved that plan. We took it to them and asked for their affirmation, and they gave it to us because the people of Arkansas know they want good roads. They voted not only to have them, they voted to pay for them. The Highway Department identified over \$7 billion worth of needs over the next 10 years, and I think we all understand we cannot afford \$7 billion. But neither can we afford to let our highways continue to crumble. We have done an excellent job of rebuilding the interstate system, but the next major step is to make sure there are traffic routes that can bring the economy from the rural areas of Arkansas to that interstate system. And that's what I'll be asking you to join me in doing in this legislative session, not only to mobilize our economy but to monetize that economy with dollars poured into an infrastructure that desperately needs it. We can dedicate between \$91 million and \$100 million a year in revenue to finance \$1 billion worth of bonds that over the next 10 years can be paid. Construction can be carried out in the next six or so years. And the result will be significant construction and safety for our citizens for the focus of moving the traffic toward the main arterial system of our interstates.

I'm not an engineer. I'm not going to pretend to tell you, "Here is is the map. Here is what it's going to look like." The Highway Department,

they have engineers. They have some good maps developed that have several proposals, none of which, by the way and pardon the pun, are in concrete.

All of them are subject to review and discussion and deliberation and change. But the one thing I hope we will do is let the highway system get designed by the people who can tell us why we would be building at any particular place and that it would not become a political map. That's why I'm not going to design one. But I do want us to make sure that we have criteria that are objective and fair so that wherever you live in this state, you can get your people and your products from point A to point B, maximizing the potential for the economy of your particular area to grow and to be able to access a road system. The alternative is just to let our roads continue to be bad. Bad roads cost every Arkansas motorist \$259 a year in additional car repairs and fuel costs. So when people say, "Governor, is it going to cost the citizens something to have a road program?," the answer is yes. But it will cost them even more to not have a road program, as it's already costing them that \$259 a year.

There also will be the question, "Why don't we wait?" Well, there are three reasons not to. One, the roads aren't getting better, they are getting worse. The deterioration means the longer we wait, the more expensive they will be to fix. The second reason is inflation. Two basic costs of building a road are labor and materials, neither of which are going to get cheaper over the next decade. They will only get more expensive, which means the cost of doing what we can do now will be dramatically increased every year we wait. And the third reason is we are still in a period where we are seeing historic low interest rates. We have already been able to capture an extraordinary amount of leverage from the bond program we're in. We need to move while the market is still favorable for low interest rates so we can maximize our dollars and maximize our construction.

I commit to you that I will lead the effort and take it to the citizens.

But I cannot do it without input from each of you, not only in developing how we will pay for it but also in saying exactly what it is we're willing to step up and implement.

Let me now mention higher education. A little over a year ago, I appointed a blue ribbon committee and asked them to make recommendations on how we could do major improvements to higher education in Arkansas. There has been for a long time a legitimate complaint in the higher ed community that there is a lack of funding that is based on an equitable formula, similar to what we have been through in the K-12 area. It's just that we don't have a constitutional mandate to provide a college education. But we have a conscience mandate, quite frankly, because if we're only going to build an economy that depends upon a high school graduate, then, my friends, we are going to build an economy that will see to it that every single Arkansas student will be stuck in poverty. A wonderful high school diploma is a good thing. But it is not an adequate thing in order to prepare one for the future and to have a job that will give him or her the ability to succeed and prosper and provide for a family. We have to ensure that every Arkansan has something beyond the 12th-grade year, whether it's vocational and trade training or whether it's a full

university degree. Higher education is not a luxury. It is a necessity in tomorrow's economy. In fact, it is a necessity in today's economy.

(Applause.)

We're proposing a formula that would be implemented over a four-year period and has gained the support of the presidents and chancellors of our 32 colleges and universities in the state. Let me just pause. For those of you who are new to the chamber, I assure you it's a historic moment when the presidents and chancellors agree on anything, much less a funding formula

-- a historic moment, one that we better capture while we have it because we may never pass this way again. Why have they agreed to it? Because they understand that the funding for our colleges and universities ought to be done on the basis of some objective criteria - productivity, the number of students attending classes and the cost of providing those classes in those particular career fields. It ought not be left to the political muscle of any one senator or representative as to which colleges get good funding and which ones don't. A clear, objective funding formula is a must.

(Applause.)

A college graduate will earn \$1 million more in a lifetime than someone without a degree. Most of you know that we are tied with West Virginia for last place in the number of adults with a baccalaureate education. Do you realize that if we could increase just by 50 percent the number of adults who have a college degree, it would add \$5 billion to the economy and it would result in a net income to the state of Arkansas of \$340 million a year? For those of you who are saying how are we going to find money to pay for -- and you can fill in the blank of what we're going to pay for -- I'll tell you how we will find money. Get more kids in, through and out of college with a degree. The money for Arkansas' future is in the minds and the hearts of those kids that right now aren't finishing. They're just starting. We have tripled the number of kids starting college in Arkansas since the 1970s, but the percentage of those who finish is the same today as it was in 1950. And that, my friends, is unacceptable.

We are not going to make it more affordable and more accessible by continuing to hold higher education at the same levels of funding they have and expect somehow they're going to keep tuition low because they're not.

Many colleges have increased their tuition during the past two to four years by double digits. That's the only option we have unless we finally step up and make sure not only the formula but also the funding is in place. And when we do that, we're going to open up some opportunities, not just for kids to get in but for kids to get through.

Every dollar we invest in higher education in the state has a \$4 return to us. I don't know about you, but anyone who can find a four-to-one investment had better take it. I'll ask for additional bonding authority that will amend Act 683 of 1989 that won't involve new taxes or new revenue. Amending the college bond act of 1989 will free up some \$150 million for capital improvements in our colleges, freeing up more operating money and hopefully keeping tuition increases lower. I'll also ask for supplemental requests so we can become part of the e-

corridor. We are one of the only Southern states that is not connected to the e-corridor, and it's vital to our long-term success and development. We'll also seek to provide more research dollars so we can see the incredible economic value that research provides for us.

I'm also going to ask that we open financial aid for any student graduating from a high school in Arkansas. There is something terribly unjust about a kid whose family came here looking for opportunity. Maybe that kid has come at the age of 4. It has happened. It happened in a school in El Dorado.

That student of Hispanic descent spent his entire career as a student in Arkansas public schools from the age of 4. He graduated from high school, one of the top kids of his class. But when he applied for financial aid, he wasn't eligible for the various scholarships or grants because of his status, a status that he had no decision in and no control over. Do we want to change the future for those kids? Then let's give them the opportunity.

Let's not say that our doors are open but our opportunities are closed. Let's open both our doors and our opportunities and create a whole new generation of kids who have the opportunity to be prosperous and to bring to their families the hope that they came here for.

We also need to strengthen the authority of the Higher Education Coordinating Board to ensure greater levels of accountability, which every one of us believe we should have. We should also insist that there be agreements among all of our public colleges so a student doesn't spend a year or more in one public college and then seek to transfer and find that his credits won't transfer because of different requirements. That seems commonsense to us, but it has not been the practice. Let's make it the practice. Let's not let our kids waste their time, their parents' money and sometimes their own money going to school, and then find that they can't even transfer their hours or credits to the next school.

(Applause.)

Certainly there are many more issues that we are going to have to tackle over the course of the next few days. I mentioned prisons because, frankly, most of you already are aware that prisons, Medicaid and education make up

91 percent of our general revenue. Think about that. From every dollar that we take, 91 cents of that dollar is already spent on just three things -- education, Medicaid and prisons. I know there is a long-standing policy idea that we have to lock people up and throw away the key. There are folks who need to be locked up and kept there. Those who are truly dangerous to us, we need to keep locked up. But our director of prisons, Larry Norris, has a statement that I like to quote often because I think it's one of common sense. He says, "We need to lock up the people we're afraid of, not just the ones we're mad at." I would agree with him. We need to revisit some of our sentencing laws. I know some of you are interested in doing that, not to let out people who are going to go back and repeat. Folks, we cannot build enough prisons to house every single person who has made a stupid mistake as a child, an adolescent or even a young adult.

Community-based corrections is much more affordable, much more productive, than it is to put people in a long-term lockup facility where we not only take away their capacity for a livelihood but in many

cases take away their hope. I ask for us to revisit the sentencing laws, not to get lenient on crime but rather to get right with life. I hope you'll join me in that.

(Applause.)

Well, if this is your first year, and for many of you I know it is -- at least 38 members of the house; we have one new senator, but he has been around the block a time or two down at this end of the building. So for the

38 of you who are here sitting in this chamber for the first week, I know deep in your hearts you didn't run to come down here and be a towel popper.

You came down here to be a champion. And I pledge to you to do everything I can from the second floor to try to be your partner in helping you to be that champion. I know you want to get off to a good start. And I think your colleagues want you to have a good start and a great first year.

But if it's your senior year, I believe deep down you want to finish a real champion and you want to leave a lasting legacy. I've been encouraged, as I said at the beginning, by the tone and the comments that have been made by the president pro tem of the Senate, by the speaker of the House and by individual members who I believe have indicated that it's time to roll up our sleeves and get to work. I think there is a great senior class sitting out here among us, an outstanding group of people who understand this is the last game of the last season we're going to play, and we want to go out champions.

When George Brett, one of the great baseball players of all time, was approaching retirement, this future Hall of Famer was asked, "George, tell us what would you like for your last play in the major leagues to be?" I tell this to my staff often as they talk about our last two years. I love George Brett's answer. It shows why this man deserved the Hall of Fame and why he was one of the great third basemen and one of the great hitters of all time. Most of us would expect George Brett to say, "I want to be up at the plate, bottom of the ninth, our team is down by three. There are two outs. It's a full count. The pitcher throws a curve outside. I reach over and take it, send it over the left-field fence. Grand slam home run. I bring in the winning runs, and we win the game." That's what most of us would think. But here was his answer when asked, "What do you want your last play in the major leagues to be?" He said, "I want to hit a routine grounder to second, run all out to first base and get thrown out by half a step. " And they said, "Why?" He said, "Because I want to leave an example for all the young guys out there that no matter what, you play the game all out, play it all out."

Folks, I hope over the next 60-plus days that every one of us will be like George Brett, especially the senior class, and that we will say we are going to play this all out -- not against each other, but with each other.

Because I really believe we're on the same team to leave a lasting legacy.

Thank you, God bless you and God bless the people of Arkansas. Thank you very much.

(Applause.)